## REMARKS

In the Office Action<sup>1</sup>, the Examiner rejected claims 1-4, 6-12, 14-20, and 22-26 under 35 U.S.C. §103(a) as unpatentable over U.S. Patent No. 6,854,062 to Okamoto ("Okamoto") in view of U.S. Patent No. 5,884,298 to Smith II et al. ("Smith") and U.S. Patent Application Publication No. 2004/0203600 to McCorkle et al. ("McCorkle"); rejected claims 5, 13, and 21 under 35 U.S.C. §103(a) as unpatentable over Okamoto in view of Smith, McCorkle, and U.S. Patent Publication No. 2003/0046352 to Katsuda et al. ("Katsuda"); and rejected claim 27 under 35 U.S.C. §103(a) as unpatentable over Okamoto in view of Smith, McCorkle, and Japanese Patent Application Publication No. JP 2002-281019 A to Jinriki et al. ("Jinriki").

Applicants propose to amend claims 1, 6, 7, 9, 14, 15, 17, 22, 23, and 26. Claims 1-27 are pending.

Applicants respectfully traverse the rejections of the claims under 35 U.S.C. § 103(a). In this application, a *prima facie* case of obviousness has not been established because, among other things, the cited references do not teach or suggest each and every feature of the claims.

The cite art, alone or in combination, fails to disclose or suggest, *inter alia*, the recitations of claim 1 of "a local environment management unit configured to authenticate based on the information from the mediating device that the first device and the second device are connected within the certain range when the first device has physically connected to the removable mediating device within a predetermined period

<sup>&</sup>lt;sup>1</sup> The Office Action may contain statements reflecting characterizations of the related art and the claims. Regardless of whether any such statement is identified herein, Applicant decline to automatically subscribe to any statement or characterization in the Office Action.

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of time before or after the removable mediating device is physically connected to the second device." (Emphasis Added),

Instead, Okamoto merely discloses a system for incorporating data into a household device using a bridging medium. Abstract. Indeed, the Office Action does not rely on Okamoto to teach or suggest any portion of the above-quoted elements.

See. Office Action at pp. 3 and 4.

Smith fails to overcome the deficiencies set forth above, including the failure of Okamoto to disclose or suggest at least the above-quoted elements of amended independent claim 1.

Instead, *Smith* discloses an optical disk jukebox. Col. 33, lines 50-55. The jukebox of *Smith* stores check in and check out information, so that a history of the check in and check out information can be displayed. Col. 33, line 58 - Col. 34, line 9. *Smith* does not disclose or suggest that the check in and check out information, for example, is used for authentication "that the first device and the second device are connected within the certain range when the first device has physically connected to the removable mediating device within a predetermined period of time before or after the removable mediating device physically connected to the second device," as recited in amended independent claim 1.

McCorkle fails to overcome the deficiencies set forth above, including the failure of Okamoto and Smith to disclose or suggest at least the above-quoted elements of amended independent claim 1.

Instead, McCorkle discloses a method for providing authentication in a wireless network, wherein an authentication device evaluates a first and a second distance

measurement to determine if they meet authentication criteria. Abstract. *McCorkle* does not disclose or suggest "a local environment management unit configured to authenticate based on the information from the mediating device, that the first device and the second device are connected within the certain range when the first device has physically connected to the removable mediating device within a predetermined period of time before or after the removable mediating device is physically connected to the second device." (Emphasis Added)

Katsuda fails to overcome the deficiencies set forth above, including the failure of Okamoto, Smith, and McCorkle to disclose or suggest at least the above-quoted elements of amended independent claim 1. Instead, Katsuda teaches a scanner that is capable of functioning as a data transmission management device. Abstract.

Jinriki fails to overcome the deficiencies set forth above, including the failure of Okamoto, Smith, and Katsuda to disclose or suggest at least the above-quoted elements of amended independent claim 1. Instead, Jinriki discloses an authentication method for attesting that an IC card is the right thing. Abstract.

Accordingly, the cited art, alone or in combination, fails to disclose or suggest "a local environment management unit configured to authenticate, based on the information from the mediating device, that the first device and the second device are connected within the certain range when the first device has physically connected to the removable mediating device within a predetermined period of time before or after the removable mediating device is physically connected to the second device," as recited in claim 1. Therefore, the cited art cannot render claim 1 obvious.

Independent claims 9, 17, and 26, and dependent claims 2-8, 10-16, 18-25 and 27, while of different scope than claim 1, are allowable over the cited art for at least similar reasons as claim 1.

Applicants respectfully request that this Amendment under 37 C.F.R. § 1.116 be entered by the Examiner, placing claims 1-27 in condition for allowance.

Furthermore, Applicants respectfully point out that the final action by the Examiner presented some new arguments as to the application of the art. It is respectfully submitted that the entering of the Amendment would allow the Applicants to reply to the final rejections and place the application in condition for allowance.

Finally, Applicants submit that the entry of the Amendment would place the application in better form for appeal, should the Examiner dispute the patentability of the pending claims. Applicants respectfully request reconsideration of this application and the timely allowance of the pending claims.

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Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted.

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